

**Committee on Zoning, Landmarks
& Building Standards**

**SUBSTITUTE
ORDINANCE**

WHEREAS, the City of Chicago ("City") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City Council of the City ("City Council") finds that communicating timely information regarding (i) City laws, services and events, (ii) public service and public health and safety messages, and (iii) emergency notifications (collectively, "City Information") is an essential public purpose that advances the general health, welfare and safety of the citizens of the City, persons who work in the City, and persons who visit and travel through the City; and

WHEREAS, as an extension and enhancement of the City's communication efforts, the City established a City-wide, coordinated digital signage network ("City Digital Network") on land owned or controlled by the City to further advance the essential public purpose of communicating City Information, real-time, on either a City-wide or localized basis, to vehicular traffic traveling on expressways and toll roads, who may not otherwise have access to computers, smart-phones and similar on-line and wireless devices or who, under applicable law, may not lawfully use and operate such devices while driving; and

WHEREAS, the City is authorized, pursuant to Article VII, Section 10 of the Illinois Constitution of 1970 and the Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq., to enter into intergovernmental agreements; and

WHEREAS, the City Council finds that in order to avoid the duplication of government services, to realize inter-governmental economic efficiencies, and to cooperate in communicating information regarding the laws, services and events, the public service and public health and safety messages, and the emergency notifications of other units of government (collectively, "Other Government Information"), the City shall make such City Digital Network available to federal, state, Cook County, and other units of local government, including, without limitation, the Chicago Transit Authority, for communication of such Other Governmental Information; and

WHEREAS, the City Council finds that it needs to expand the City Digital Network in order to further enhance and promote the communication of City Information and Other Government Information: and

WHEREAS, given (i) the Federal Highway Beautification Act and Illinois Highway Advertising Control Act of 1971 500 foot spacing and zoning requirements applicable to signs adjacent to expressways, (iii) the historical subdividing of Chicago, which means that many lots adjacent to major expressways are only 125 feet to 150 feet deep, (iv) the need to locate signs in places where City

Information and Other Government Information can be readily seen by vehicular traffic, the City is unable to build-out a viable City Digital Network to communicate City Information and Other Government Information without amendments to the Zoning Ordinance as set forth in this ordinance; and

WHEREAS, the City Council finds that, given the site limitations described above, it is necessary to locate signs in the City Digital Network on private property; and

WHEREAS, the City Council further finds that in order to narrowly tailor such exemption so as to preserve the aesthetic and public safety public purposes related to existing sign regulations in the Zoning Ordinance, and to the extent consistent with the additional essential public purpose of communicating City Information and Other Government Information, such amendments should (a) generally impose similar regulations applicable to off-premises advertising signs when feasible, (b) modify such regulations when necessary or appropriate in light of the existing signage in the City, the federal and state legal requirements cited above, and the communication and public purpose objectives of the City Digital Network, (c) waive such regulations when necessary or appropriate for the viability of establishing an integrated City Digital Network, and (d) limit the number of sign faces on private property to twenty-four (24); and

WHEREAS, such zoning amendments are set forth below in Section 5 of this ordinance; and

WHEREAS, in order to optimize the City's ability to disseminate City Information and Other Government Information to the highest number of people per digital sign, the City Council finds that City Digital Network should be expanded to permit up to an additional twenty-four (24) sign faces, provided that a minimum of twenty-four (24) sign faces shall be included in any expansion of the City Digital Network, all of which shall be located on private property, with no pre-existing off-premise advertising sign structure, so as to face expressways and toll roads, as designated by the Commissioner of the Department of Transportation ("CDOT"), and which are presently anticipated to be located at the locations set forth on Exhibit A to this ordinance (such signs, the "Expressway Signs"); and

WHEREAS, the City Council determined and found, that in order to establish such a City Digital Network, at no expense to the City, it is necessary and appropriate to permit off-premises advertising on the signs in the City Digital Network to finance the costs related to the design, manufacturing, assembly, installation, programming, operation, maintenance, repair and replacement; and

WHEREAS, the City Council further finds that there are particular benefits to locating a sign in the City Digital Network on private property similar to that of a developer being able to obtain additional floor area under the City's floor area bonus system and that there should be a reasonable and appropriate fee for such rights: and

WHEREAS, similar to the City's floor area bonus system, the City shall establish a reasonable and uniform fee for the benefit of locating a sign in the City Digital Network on private property; and

WHEREAS, as a condition to allowing such off-premises advertising, the signs in the City Digital Network located on private property shall on a regular, continuing basis, transmit City

Information and Other Government Information during such times as the City Digital Network is operative and, during emergencies, shall broadcast emergency notices of the City (and/or other units of government); and

WHEREAS, the City shall require any developer or operator of a sign within the City Digital Network located on private property to, among other things, negotiate and agree to the terms of a Coordinated City Digital Sign Program Agreement governing the design, manufacturing, assembly, installation, programming, operation, maintenance, repair and replacement; and

WHEREAS, the City finds that the expansion of the City Digital Network on private property at no cost to the City through a public-private undertaking will advance the essential public purpose objectives of communicating City Information and Other Government Information in a timely and effective manner, which information will increase public awareness of City laws, services and events and will enhance public safety, and enhance the safety and aesthetics of its public rights of way; now, therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City Council and are incorporated herein and made a part of this Ordinance.

SECTION 2. The City Council shall require any developer or operator of a sign within the City Digital Network located on private property, and hereby authorizes the Mayor of the City (the "Mayor") and the Chief Financial Officer (the "CFO"), to execute and deliver on behalf of the City, a Coordinated City Digital Sign Program Agreement (the "Program Agreement") and further authorizes the City's performance of its obligations thereunder.

SECTION 3. The CFO, with the written approval of the Executive Director of the Office of Emergency Management and Communication, shall have authority to negotiate intergovernmental agreements with other federal, state, Cook County, and local units of government operating wholly or partially within the municipal boundaries of the City, for the purpose of allowing such other governmental bodies to use the City Digital Network located on private property to communicate Other Governmental Information, subject to the terms of the Program Agreement. Such intergovernmental agreements shall be subject to the further review and approval of the City Council.

SECTION 4. In order to secure the City's interest in the City Digital Network on private property and rights under the Program Agreement, the CFO shall have authority to execute such security agreements, financing statements, assignment agreements, and other documents as may be necessary or appropriate, subject to the review and approval of the Corporation Counsel. In addition, in order to enable any developer or operator of a sign within the City Digital Network on private property to obtain financing for the development and operation of such signs, the CFO shall have the authority to execute such subordination agreements, non-disturbance agreements, attornment agreements, recognition agreements, limited standstill agreements, assignment and assumption agreements, consent to transfer agreements, and other ancillary documents with the developer or operator, the lender providing financing for a sign on private property within the City Digital Network (the "Network Lender"), and

any successor owner and operator of a sign on private property within the City Digital Network who is a Permitted Transferee (as defined in the Program Agreement) as may be reasonably necessary or appropriate to enable the developer or operator to secure such financing and, in the event of a default under such financing, to enable the Network Lender to transfer the obligations of the developer or operator under the Program Agreement to such a Permitted Transferee (such documents, the "City/Network Lender Financing Documents"). Such City/Network Lender Financing Documents may provide for, among other things, a limitation, adjustment or temporary deferral of various obligations during such time as the Network Lender is, as a result of its exercise of remedies under its financing and security documents, the interim owner of any sign on private property within the City Digital Network provided such Network Lender is actively seeking to procure a new owner and operator who will assume the developer's or operator's obligations under the Program Agreement and thereafter operate the sign on private property within the City Digital Network, and provided that such limitation or adjustment does not, without the further approval of the City Council, extend for more than a six (6) month period, and shall not result in the waiver of any amounts payable under the Program Agreement.

SECTION 5. The following provisions of the Municipal Code are hereby amended by adding the underscored language, deleting the struck-through language, and making the changes otherwise indicated:

TITLE 17 CHICAGO ZONING ORDINANCE/ CHAPTER 17-17-0200 GENERAL TERMS

AND CHAPTER 17-12-1200 CITY DIGITAL SIGNS

**CHAPTER 17-17-0200
GENERAL TERMS**

(Omitted text is unaffected by this ordinance)

17-17-0234.5 City Digital Sign shall mean a sign that satisfies all of the following conditions:

(a) the *city digital sign* is installed at the city's express direction and is located on land or public way owned by the city, or controlled by the city pursuant to an intergovernmental agreement approved by the city council, or on private property that is located within 660 feet of any *designated expressway or toll road*;

(f) the operator of the integrated network of city digital signs has entered into a written agreement with the city, provided such agreement is for a minimum of twenty-four (24) sign faces located on private property with no pre-existing off-premise advertising sign structure, setting forth the operational requirements for such city digital signs and network, including, without limitation, requirements regulating sign design, light intensity, mitigating light pollution, energy conservation, and similar environmental and public health and safety concerns, which agreement has been approved by the city council; and

(g) the number of city digital signs located on private property shall be limited to fifteen (15) one to two-faced signs not to exceed twenty-four (24) total sign faces.

**CHAPTER 17-12-1200
CITY DIGITAL SIGNS**

17-12-1201-A Regulations and Standards.

15. Fees for City Digital Signs Located on Private Property.

(a). Fee Formula. The fee to locate a city digital sign on private property shall be fifteen percent (15%) of the distributable gross revenues generated by such sign.

City. (29)